

changing current law, we can change hearts and minds as well.

ADDITIONAL STATEMENTS

AN ESSAY BY SANFORD WEILL ON ACCOUNTING REFORMS

• Mr. HOLLINGS. Mr. President, I want to share with my colleagues an excellent essay by the best of the best, Sandy Weill. As the article points out, most corporate executives, like Sandy Weill, are honest and already enacting changes in their companies to provide better accounting disclosure policies.

As the message comes from someone who has distinguished himself as a business leader, it is a message I hope all American business executives not only hear, but heed.

I ask to print the essay in the RECORD.

The essay follows:

CORE VALUES START AT THE TOP

America has long had a financial system to be proud of and it is therefore critical—particularly at a time of danger and uncertainty—that both industry and government enact changes to address the recent corporate scandals that have shaken faith in the system and its corporate executives.

The country will come through this period stronger than ever, but only with the hard work of legislators, regulators and, most important, chief executive officers. George W. Bush's call for a new ethic of corporate responsibility comes at the right time, with its emphasis on holding corporate officers more accountable, protecting small investors, moving accounting out of the shadows and providing better disclosure along with a stronger and more independent corporate audit system.

The president's proposal that corporate officers lose compensation they may receive by manipulating their accounting statements, and efforts by Harvey Pitt, chairman of the Securities and Exchange Commission, to make CEOs more individually accountable for their companies' financial disclosures should be welcomed.

Used correctly, option grants should not only reward good performance but encourage a long-term perspective. Many companies use them for this purpose: more should. I have long been a proponent of "buy-and-hold" investing, and at Citigroup, our senior managers and board abide by a rigorous stock ownership commitment. Every one of us makes a pledge—a "blood oath"—to hold three-quarters of any stock or options we receive as long as we remain with the company, which reinforces our consistent focus on the long term. Also, we have never repriced stock options for our senior executives, and we never will. When companies do this, an alarm should sound that the long-term alignment of shareholder and management interests is not in place.

To ensure that everyone in a company is focused on appropriate long-term objectives, stock ownership should go as deep as possible within an organization. To encourage this, and to respond to concerns regarding excess compensation, I suggest that options be expended for the top five officers identified in the proxy, and that tax treatment be enhanced for options given to the rank and file earning less than \$100,000 by allowing options to be included in 401(k) pension plans. Proposals to change the accounting or tax treatment of stock options should not hinder these programs—they should encourage other companies to adopt them.

In the wake of recent scandals, all CEOs should examine their governance principles.

They must push for strong, independent boards and focus on full disclosure. Bullet-proof audit processes, with exhaustive internal and external checks and balances must be in place, reporting to an independent committee of the board whose involvement goes beyond quarterly meetings.

Audit partners should be rotated regularly and outside auditors should be used for audit and tax purposes only. Companies must also get back to basic accounting, based on Generally Accepted Accounting Principles, and be required to account for all revenues and expenses rather than producing pro forma or ebitda as their primary income measure.

One of the most distressing fall-outs of the current crisis is the public's reduced confidence in audited financial statements, for decades the very underpinning of America's financial system. We cannot make auditors out of lawyers, boards, rating agencies, research analysts or bankers. We need auditors to do their jobs and be accountable to one group alone: the shareholders.

I therefore applaud efforts by Senator Paul Sarbanes, Congressman Michael Oxley and the US Congressional leadership towards comprehensive accounting reform legislation. Just as concern over corporate disclosure during the Great Depression led to the creation of the SEC, a strong independent authority must be established to set accounting standards and oversee auditor conduct. In effect, we need an SEC for the accounting industry.

Eliot Spitzer, New York's attorney-general, has identified serious issues in the way investment banks and research analysts interact. Citigroup's Salomon Smith Barney was the first to adopt voluntarily the research reforms put forward by Mr. Spitzer. These, along with proposals from the SEC and the New York Stock Exchange, are setting higher standards for the industry.

Even so, we must do more. I believe the entire industry should be subject to additional rules that make research independent from investment banking. Analysts should be barred from attending any meeting with investment bankers soliciting business from public companies and from participating in any "roadshow" presentation to investors. Investment bankers should be barred from having any input in determining the compensation of research analysts and from previewing any research reports prior to publication.

The current crisis is an opportunity to recapture core values. But this will only be possible if CEOs accept the responsibility that comes with their rank. It is up to us to lead the way. •

DR. WILLIS HAVILAND CARRIER

• Mrs. CLINTON. Mr. President, I rise today to honor the accomplishments of a great New Yorker, Dr. Willis Haviland Carrier, who invented air-conditioning 100 years ago today.

Dr. Carrier was a man of humble background. Born in 1876 in Angola, NY, he delayed his education for 2 years to work on the family farm during the Depression of the mid-1890s. After finishing high school in Buffalo, he won a scholarship to attend Cornell University in Ithaca. While at Cornell, he founded a cooperative student laundry agency, the first of its kind. He graduated in 1901 with a degree in electrical and mechanical engineering, and went to work for the Buffalo Forge Company.

When the Sackett-Wilhelms Lithographing and Publishing Company of Brooklyn was looking for a solution to the problem of paper expan-

sion due to heat and humidity, Carrier was assigned to the task. On July 17, 1902, he presented his design for a system to control temperature, humidity, air quality, circulation, and ventilation. The modern era of air conditioning was born.

Dr. Carrier had the business acumen to make his invention a success, and in 1915 he founded the Carrier Corporation in Syracuse. Movie theaters were among the first adopters of the new technology, soon to be followed by department stores, airplanes, and cars. Air conditioning came to the House of Representatives in 1928 and here to the Senate in 1929. After World War II, air conditioning became affordable for private homes, forever changing the American lifestyle.

Dr. Carrier held 80 patents at the time of his death in 1950. His company has continued his tradition of innovation, with the introduction in the 1950s of rooftop systems for skyscrapers eliminating the need for large and costly basement rooms. Today, Carrier Corporation is an industry leader in environmental responsibility, with chlorine-free alternative refrigerants in use across its entire product line.

Dr. Willis H. Carrier used his creativity and entrepreneurship to change the way we live and the way we work. We are fortunate to benefit from the contributions of this great New Yorker. •

CONGRATULATIONS TO THE WE THE PEOPLE . . . THE CITIZEN AND THE CONSTITUTION PARTICIPANTS FROM WYOMING

• Mr. ENZI. Mr. President, on May 4-6, 2002, more than 1,200 students from across the United States visited Washington, DC, to compete in the national finals of the We the People . . . The Citizen and the Constitution program, the most extensive educational program in the country developed specifically to educate young people about the Constitution and the Bill of Rights.

I am proud to report that the class from Green River High School from Green River represented the State of Wyoming in this national event. These young scholars worked diligently to reach the national finals and through their experience have gained a deep knowledge and understanding of the fundamental principles and values of our constitutional democracy.

The fine students from Wyoming who were chosen to participate include: Jamie Adams, Ashley Andersen, Melissa Bassett, Kimberly Bucheit, Michelle Edwards, Christina Gipson, Aaron Hayes, Daniel Johnson, Christopher Legerski, Michael Merkle, Nathaniel Steinhoff, Eric Stewart, Julia Stuble, and Katherine Tolliver. I would also like to recognize their teacher, Dennis Johnson, who deserves much of the credit for their success.

The 3-day national competition is modeled after hearings in the Congress. The hearings consist of oral presentations by high school students before a panel of adult judges on constitutional topics. The students' testimony is followed by a period of questioning by the judges who probe their depth of understanding and ability to apply their constitutional knowledge.

Administered by the Center for Civic Education, the We the People . . . program has provided curricular materials at upper elementary, middle, and high school levels for more than 26.5 million students nationwide. The program provides students with a working knowledge of our Constitution, Bill of Rights, and the principles of democratic government. Members of Congress and their staff enhance the program by discussing current constitutional issues with students and teachers and by participating in other educational activities.

It is inspiring to see these young people advocate the fundamental ideals of principles of our Government in the aftermath of the tragedy on September 11. These are ideas that identify us as a people and bind us together as a nation. It is important for our next generation to understand these values and principles which we hold as standards in our endeavor to preserve and realize the promise of our constitutional democracy.

I would once again like to congratulate Dennis Johnson and the fine students from Green River High School.●

TRIBUTE TO WARD F. CORRELL

● Mr. BUNNING. Mr. President, I rise today to pay tribute to one of Kentucky's leading citizens, Mr. Ward F. Correll. On the 27th day of this month, Mr. Correll will be presented with the 2002 Kentuckian Award by the A.B. "Happy" Chandler Foundation for his commitment to family, God, country, and the Commonwealth of Kentucky. Fellow recipients of this award include such greats as University of Kentucky basketball announcer Cawood Ledford and country music legend Loretta Lynn.

Born to a poverty-stricken family in Wayne County, KY, Ward Correll grew up as 1 of 13 children. As you can surely imagine, basic living necessities were quite scarce at times. After graduating from high school, Ward decided to hitchhike, with only \$2.67 in his pockets, to Detroit, where he would begin what would become a memorable journey.

While living in Detroit, Ward Correll mowed lawns to make ends meet until he could find a more permanent and stable job opportunity. But before this could happen, our Nation went to war in Korea. Throughout the war, Ward served his country in the U.S. Army as part of an intelligence unit. After his time in the service came to an end, Ward packed up his bags and headed back to his old Kentucky home. Once

back in Kentucky, he met his future bride-to-be and soulmate, Regina Tarter.

After discovering the woman of his dreams, Ward decided it was time to begin his life as a businessman. Ward let the words from the prayer by GEN Douglas MacArthur be his compass—"Lord, give me a son who will not let his wishbone take the place of his backbone." With a lot of hard work, a little luck, and the occasional helping hand, Ward Correll turned that \$2.67 into a business empire.

Today, his many business enterprises include Cumberland Shell Oil, Inc. and Trade and Wind and Trade Way shopping centers in Somerset and Monticello. He is one of the top 10 jobbers in the Nation for Shell Oil. Furthermore, he is a major stockholder in First Southern National Banks, where his son Jesse is the CEO. You often hear people talk about living the American dream. Ward Correll skipped the talking part and moved straight to the living.

Besides his unwavering dedication to country and capitalism, Ward Correll has exemplified what it means to be a good Christian. He tithed the first penny he ever made as a child and has continued this practice even to this very day. He firmly believes God has blessed him financially and that he has a moral obligation to those less fortunate individuals whose pockets are as shallow as his once were. Throughout his lifetime, Ward Correll has assisted the needy, providing them with clothes, shoes, dishes and flatware—items that he and his family once struggled to possess.

Mr. President, I ask now that my fellow colleagues join me in praising Mr. Ward F. Correll for all that he has accomplished with his life. He is a devoted father and husband, a veteran and patriot, and a truly righteous man. He has worked tirelessly to make Kentucky and the United States of America a better place for us all to live. He is a tribute to the American spirit.

Finally, I would like to share with you, Mr. President, and my fellow Senators Mr. Correll's recipe for success. "Apply the wisdom of what wise people have taught you during childhood to all you do; seek the advice of wise people, especially those who have experienced failure and picked themselves up to become successful again; always do more than what you are paid to do; empower yourself to be positive and say every day 'I feel happy, healthy and terrific and I can do all things through Christ who strengthens me.'"●

IN MEMORY OF COLONEL RUBY BRADLEY, ARMY NURSE

● Mr. ROCKEFELLER. Mr. President, on July 2, 2002, a modern American hero was buried in Arlington National Cemetery. Her name is Ruby Bradley, and she is the most decorated woman ever to serve in the U.S. military.

Ruby was an Army nurse stationed in Manila. On September 23, 1943, she was

captured by the Japanese Army. During her 3-year imprisonment, she was known as a member of the Angels in Fatigues. This small group of nurses took it upon themselves to care for those within the camp. Ruby assisted in 230 operations and delivered 13 babies while dropping to a weight of just over 80 pounds. She starved herself so the imprisoned children could eat, trusting that she would be able to cling to her own life.

On February 3, 1945, her faith paid off in the form of what she described as "the best Saturday night performance I'll ever see in my life." American troops freed those who were being held captive, and Ruby returned to her home in Spencer, WV, to a hero's parade. But Ruby's military journey was not over.

Her sacrifice, generosity, and compassion took her to the Korean war, where she again found herself in the midst of grave danger. The Army sent a plane to retrieve Ruby, but she was the last person to board that plane. After running from her ambulance just before it was blown up by enemy bombs, she loaded the sick and wounded. Once again, she returned to Spencer as the honoree of a hero's parade.

In 1963, Ruby retired from the Army, having earned 34 medals and citations, including the Legion of Merit and the Bronze Star, in honor of her tenacious devotion to this Nation and all that we stand for.

I had the privilege of visiting Ruby in her home 3 years ago and presented her with replacement medals that had been lost over the years. In this short time, it was obvious to me what an inspiration she was to her family and community, and it was obvious why she was honored with the rank of colonel by the Army. Ruby Bradley was a woman whose soul knew no limits. Her heart had room for everyone, and she was not reluctant to assist those around her, no matter their age, race, or condition.

Ruby once said, "I just want to be remembered as an Army nurse." Her family can rest assured that she will be remembered as an Army nurse, one of the best this Nation has seen and will ever see. Her courage in the midst of conflict serves as a shining example to those around her and will continue to be a beacon for bravery in the future for West Virginia and for America.●

LETTER DECLARING THE TEMPORARY TRANSFER OF POWER TO THE VICE PRESIDENT OF THE UNITED STATES—PM 103

Under the authority of the order of the Senate of January 3, 2001, the Secretary of the Senate, on June 29, 2002, during the adjournment of the Senate, received the following message from the President of the United States, together with accompanying papers; which was ordered to lie on the table:

Pursuant to the provisions of the 25th Amendment to the Constitution of the United States, the President of the